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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 LEGALFORCE RAPC WORLDWIDE,
14 P.C.

15 Plaintiff,

16 v.

17 LEGALFORCE, INC., a Japanese
18 corporation,

19 Defendant.

Case No. : 3:22-cv-03724-TLT

**PLAINTIFF'S OPPOSITION TO
DEFENDANT LEGALFORCE, INC.'S
MOTION TO DISMISS PLAINTIFF'S
FIRST AMENDED COMPLAINT;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

20 Date: February 7, 2023
21 Time: 2:00PM
22 Dept.: Courtroom 9
23 Judge: Honorable Trina L. Thompson
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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Defendant LegalForce, Inc. (“LF-J”) and Plaintiff LegalForce Worldwide, P.C. (“LegalForce”) compete to provide businesses with legal technology solutions including those based on artificial intelligence or human review of non disclosure agreements (“NDAs”). (“FAC”) ¶ 3. Both have used technology and innovation to become market leaders and provide these services using advanced engineering teams and lawyers. *Id.*

Since September 2009, Plaintiff LegalForce has grown to become the leading, nationally recognized trademark website for businesses, law firms and consumers. (“FAC”) ¶ 2. Defendant LF-J does not deny that it competes with LegalForce, but primarily asks to be excused from this lawsuit because it tenuously declares it has solely operated its business in Japan, while ignoring key allegations described in the First Amended Complaint (Dkt. 31, “FAC” filed October 23, 2022) which refute this contention.

II. PROCEDURAL BACKGROUND

LegalForce filed the original complaint against LF-J on June 24, 2022 (ECF 1) and the FAC on October 23, 2022 (ECF 31). LF-J filed its MTD on the FAC on November 7, 2022.

III. ARGUMENT

A. LegalForce Plausibly Plead that this Court has Subject Matter Jurisdiction Over Counts 1, 2, and 4 because there exists a Case or Controversy.

LegalForce alleges sufficient facts to establish actual or imminent infringement because the FAC describes that LF-J’s own website describes its activities in the United States are extensive. For example, as of October 23, 2022, LF-J is actively competing against LegalForce for engineering talent in the United States. (“FAC”) ¶ 17. Half of the job openings on LF-J’s website admitted they are recruiting for “US entry” of LF-J. *Id.* For example:

LegalForce English の求人一覧 - 株式会社LegalForce

ツイート ツイート シェアする 共有する

ZEN-01 Lawyer

<Overview of Position> LegalForce is looking for an experienced legal professional to develop the English review function. Since July 1, 2020, o...

English 法務プロフェッショナル

ZEN-02 Software Engineer at LegalForce Research

<Responsibilities> The Software Engineers at LegalForce Research develop a wide range of algorithms and applications that integrate various int...

English 開発

ZEN-03 DevOps Engineer at LegalForce Research

We are hiring DevOps engineers who improve the agility and reliability of software development. This application guideline calls for personnel in ...

English 開発

ZEN-04 Software Engineer, Back-end, US entry

LegalForce has led the digital transformation of Japan's legal industry with its unique product "LegalForce" since 2019. We are expanding our op...

English 開発

ZEN-05 Infrastructure Engineer, US entry

LegalForce has led the digital transformation of Japan's legal industry with its unique product "LegalForce" since 2019. We are expanding our op...

English 開発

See: ("Abhyanker Decl.") ¶ 8, Ex. 3, ("FAC") ¶ 17.

In the description of each of these job openings, LF-J admitted to its entry into the United States, by describing its offerings in the United States as follows: "We are expanding our operations into the US and are looking for talented engineers to be part of our Japan-based team dedicated to building our global product in close collaboration with the US team. Come help us revolutionize the way companies deal with contracts." and "[t]his position will involve collaboration and communication with US-based product manager and development team, as well as the US sales team and, at times, with customers." See: ("Abhyanker Decl.") ¶¶ 9-11, Ex. 4-6. ("FAC") ¶ 18.

Tellingly, in these postings LF-J admits it is "expanding our operations into the US" and admits that it employs persons in the United States by stating it is "dedicated to building our global product in close collaboration **with the US team**" (*emphasis added*). *Id.* The postings make clear that the team that LF-J employs in the United States is extensive as the posting goes on to say that each "position will involve **collaboration and communication with US-based**

1 **product manager and development team."** (*emphasis added*). *Id.* The job postings further
 2 admit the presence of a sales team in the United States and customers within the United States
 3 when they state "as well as **the US sales team and, at times, with customers.**" *Id.* ("FAC")
 4 ¶ 19. Therefore LegalForce has alleged in the FAC that LF-J has actually used the
 5 LEGALFORCE mark in the United States. *Id.*

6 Moreover, the FAC points out numerous reasons beyond this why Mr. Tsunoda's first
 7 declaration testimony Dkt. 22-1 filed on October 20, 2022 cannot be relied upon. ("FAC") ¶ 63.
 8 None of this was cured in Mr. Tsunoda's second declaration of November 7, 2022 in Dkt 39-6.
 9 In fact, Mr. Tsunoda continues to make statements in his second declaration which are refuted
 10 by his own website. For example, the MTD's claims that LF-J has never used that mark in the
 11 United States, nor does it have any imminent plans to do so citing Tsunoda Decl. ¶ 21, ("MTD")
 12 pg 4. However this statement is inapposite to LF-J's own website *admits* to its entry and
 13 extensive expansion into the United States as described above. Similarly, the MTD describes
 14 that LF-J specifically rejected that any possible future expansion to California or the United
 15 States would be tied to use of the LEGALFORCE mark in United States commerce. Tsunoda
 16 Decl. ¶ 64, ("MTD") pg 4. This statement is similarly defective because LF-J's own website
 17 *admits* to its entry and extensive expansion into the United States as described above.

18 For these reasons, LegalForce has plausibly plead that this court has subject matter
 19 jurisdiction over Counts 1, 2, and 4 because there exists a case or controversy because LF-J has
 20 admitted its use in commerce within the United States.

21 **B. LegalForce Plausibly Plead that this Court has Personal Jurisdiction Over**
 22 **LF-J—A Japanese Corporation because of its Forum Contacts, including both General**
 23 **and Specific Jurisdiction.**

24 LegalForce alleges general and specific jurisdiction over LF-J in the FAC, and has
 25 described that LF-J is physically present in California and in the United States. This Court has
 26 general personal jurisdiction over LF-J because LF-J's has law firm and business customers
 27 who have offices in California, and in Santa Clara County. ("FAC") ¶ 6. Particularly, LF-J
 28 boasts it "provides services to a variety of entities, ranging from large multi-nationals to law

1 firms” which includes “household names such as Fujitsu, Sojitz, and Suntor. *Id.* Fujitsu and
 2 Sojitz have operations in California, contracts in California, employees in California, and more
 3 specifically in Santa Clara County. *Id.* Among Fujitsu and Sojitz contracts include English
 4 language non-disclosure agreements (NDAs) with employees and business partners in Santa
 5 Clara County, all of which are processible through the LF-J’s licensed software. *Id.* LF-J
 6 advertises its NDA service in English in this Twitter post dated December 19, 2019. *Id.*
 7 LegalForce has offered NDA and contract review services to hundreds of businesses since 2010.
 8 *Id.* Moreover, LF-J admits its executives visit California. *Id.*

9 Moreover, the FAC alleges that LF-J is now advertising for U.S. lawyers, hiring lawyers
 10 that are licensed in the U.S. State of California, to review English language contracts. (“FAC”) ¶
 11 3. Moreover, the FAC alleges that LF-J is recruiting employees who are licensed lawyers in
 12 California and has hired employees in California. (“FAC”) ¶ 7. The FAC alleges that LF-J hired
 13 its first employee in California on or about January 2021, a Mr. Yukata Okura (“Okura”). *Id.*
 14 Mr. Okura admits on his LinkedIn profile that he resides in San Francisco, California in this
 15 district :



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17
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22
23 *Id.*

24 The FAC describes that Mr. Okura admits that his title as the North American Regional
 25 Head of the LF-J, and the employee who was “[r]esponsible for the first footprint deployment of
 26 a highly renowned Japanese LegalTech startup in the US market.” (“FAC”) ¶ 8. The FAC
 27 describes that in his LinkedIn profile, Okura further admits that he supports “strategy, business
 28 development and operations” of the LF-J, which he describes as “LegalForce

(en.legalforce-corp.com) etc.”



North America Region Head

株式会社LegalForce · Full-time

2021 - 2022 · 1 yr

Tokyo | San Francisco Bay Area

Responsible for the first footprint deployment of a highly renowned Japanese LegalTech startup in the US market.

<https://en.legalforce-corp.com/>

Id.

The FAC further describes that Mr. Okura further admits that his job title is “North America Region Head” for the years 2021 and 2022 for the LF-J. (“FAC”) ¶ 9. In its Motion to Dismiss (Dkt. 39, filed November 7, 2022, “MTD”), does not deny that it hired Mr. Okura. Rather, it disputes the dates and timelines of his hiring when compared to what Mr. Okura describes on his own public webpages. Specifically, the MTD describes LF-J hired Mr. Okura on March 15, 2022 through a Japanese employment agency and an online application written entirely in Japanese (“Tsunoda Decl.”) ¶¶ 48-49 instead of the dates between 2021 and 2022 as described on Mr. Okura’s own public profile. The MTD does not address the consulting work that Mr. Okura has done prior to his formal hiring or after leaving his full time employment as alleged in the link on Footnote 10 of the FAC pg 4. to Mr. Okura’s LinkedIn profile, which describes Mr. Okura as having a continuing role in LF-J but in a consulting capacity rather than a full time one:

Founder

The Yuta.Ca · Freelance

2018 - Present · 4 yrs 11 mos

San Francisco Bay Area

Support strategy, business development and operations at multiple startups, including:

- Infostellar (infostellar.net)
- SWAT Labs (swatlab.co)
- The Room4D (the-room.company)
- LegalForce (en.legalforce-corp.com)
- etc.

**North America Region Head**

株式会社LegalForce · Full-time

2021 - 2022 · 1 yr

Tokyo | San Francisco Bay Area

Responsible for the first footprint deployment of a highly renowned Japanese LegalTech startup in the US market.

<https://en.legalforce-corp.com/>

See: (“Abhyanker Decl.”) ¶ 6, Ex. 1

Therefore, while the tenure of Mr. Okuda is not necessarily material to the infringement and causes of action pledged herein, there exists a factual dispute which cannot be resolved at this early stage, and for this reason alone, the MTD must be denied.

Also, the MTD does not challenge that LF-J is actively competing against LegalForce for engineering talent in the United States. (“FAC”) ¶ 17. The MTD does not challenge that half of the job openings on LF-J’s website admit they are recruiting for “US entry” of LF-J. For example:

LegalForce English の求人一覧 - 株式会社LegalForce

ツイート シェアする 共有する

ZEN-01 Lawyer
 <Overview of Position> LegalForce is looking for an experienced legal professional to develop the English review function. Since July 1, 2020, o...
 English 法務プロフェッショナル

ZEN-02 Software Engineer at LegalForce Research
 <Responsibilities> The Software Engineers at LegalForce Research develop a wide range of algorithms and applications that integrate various int...
 English 開発

ZEN-03 DevOps Engineer at LegalForce Research
 We are hiring DevOps engineers who improve the agility and reliability of software development. This application guideline calls for personnel in ...
 English 開発

ZEN-04 Software Engineer, Back-end, US entry
 LegalForce has led the digital transformation of Japan's legal industry with its unique product "LegalForce" since 2019. We are expanding our op...
 English 開発

ZEN-05 Infrastructure Engineer, US entry
 LegalForce has led the digital transformation of Japan's legal industry with its unique product "LegalForce" since 2019. We are expanding our op...
 English 開発

Id.

The MTD does not challenge that description of each of these job openings, LF-J admits to its entry into the United States, by describing its offerings in the United States as follows: “We are expanding our operations into the US and are looking for talented engineers to be part of our Japan-based team dedicated to building our global product in close collaboration with the US team. Come help us revolutionize the way companies deal with contracts.” and “[t]his position will involve collaboration and communication with US-based product manager and development team, as well as the US sales team and, at times, with customers.” (“FAC”) ¶ 18

The MTD does not challenge that in these postings LF-J admits it is “expanding our operations into the US” and admits that it employs persons in the United States by stating it is “dedicated to building our global product in close collaboration **with the US team**” (*emphasis added*). (“FAC”) ¶ 19 The MTD does not challenge that postings make clear that the team that LF-J employs in the United States is extensive as the posting goes on to say that each “position will involve **collaboration and communication with US-based product manager**

1 **and development team."** (*emphasis added*). *Id.* The MTD does not challenge that these job
 2 postings further admit the presence of a sales team in the United States and customers within the
 3 United States when they state "as well as **the US sales team and, at times, with customers.**"
 4 *Id.*

5 The FAC describes that in the first half of July 2022, executives of LF-J visited California
 6 and the Bay Area for the primary purpose of soliciting customers, partners, and business
 7 development for LF-J. ("FAC") ¶ 22. The FAC describes that all times during these meetings,
 8 Mr. Tsunoda and his deputy referred to their business using the LEGALFORCE Marks and by
 9 no other name. *Id.* Mr. Tsunoda and his deputy handed out printed collateral, business cards,
 10 and/or gave presentations with the LEGALFORCE Marks upon information and belief. *Id.*
 11 On or about July 13, 2022, Mr. Tsunoda met with one of LegalForce's founding shareholders,
 12 Wilson Sonsini Goodrich & Rosati (WSGR). Specifically, Mr. Tsunoda met with WSGR's
 13 Chief Innovation Officer David Wang in person, creating actual confusion by Mr. Wang with
 14 LegalForce. *Id.* Mr. Tsunoda and his deputy's visit to WSGR was for the primary purpose of
 15 soliciting feedback and seeking a commercial partnership/sales opportunity exploration with
 16 WSGR. *Id.*

17 The FAC describes that the position of US lawyer did not appear to require residence in
 18 Japan. ("FAC") ¶ 20. Among these job postings is a posting for a Lawyer with "[b]ar admission
 19 in New York or California." *Id.* Unlike other postings, this posting does not require working
 20 from Japan. *Id.* Other postings describe "*This is not a cross-border full-remote position, and
 21 you are required to come to Japan." *Id.* However, the FAC alleges that no such disclaimer
 22 requiring to come to Japan exists for this Lawyer position on the LF-J's website as of October
 23 23, 2022. *Id.*

24 The FAC describes that at least one employee was hired in California. ("FAC") ¶ 9.
 25 When evaluated in combination with the facts described in the FAC, LegalForce has plausibly
 26 plead that LF-J has intentionally and purposefully directed tortious act expressly aimed at
 27 California and the United States, with foreseeable harm to LegalForce, and that LegalForce's
 28 claims arise out of the LF-J's forum-related activities, and exercising jurisdiction over LF-J is

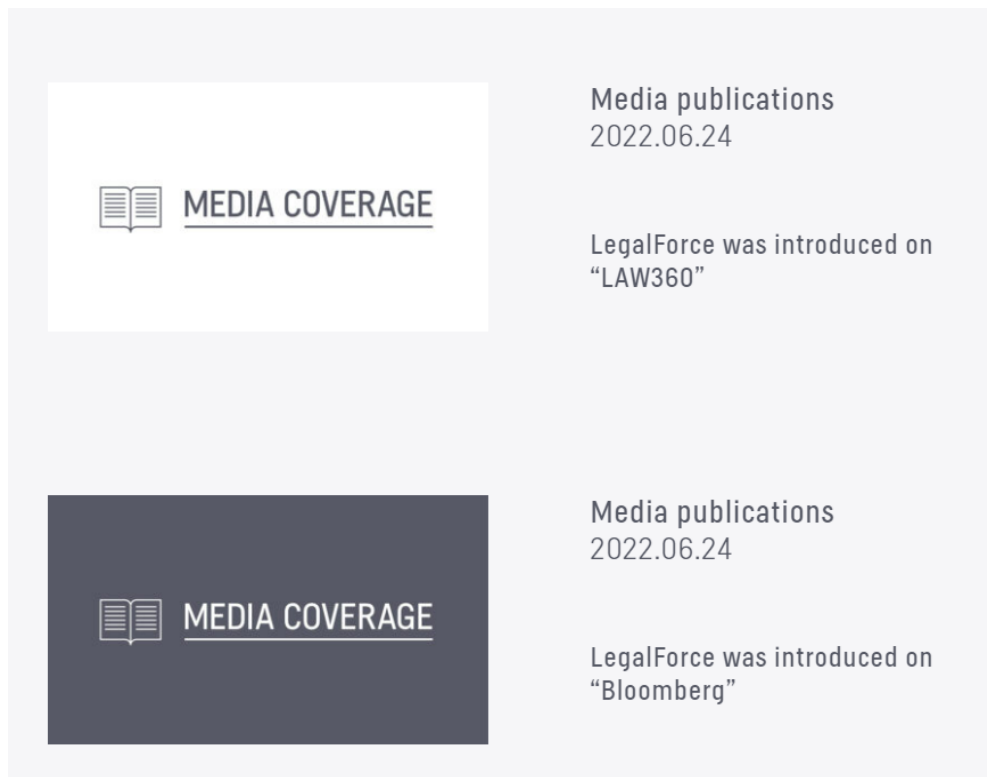
1 both reasonable and fair.

2 Moreover, the FAC describes facts that demonstrate that (1) the LF-J purposefully
3 directed its activities at residents of the forum or purposefully availed itself of the privilege of
4 doing business in the forum because it alleges facts that demonstrates its efforts recruiting law
5 firms including WSGR; (2) the LegalForce's claim arises out of or relates to those activities
6 because the there exists actual confusion between LF-J and LegalForce with respect to WSGR;
7 and (3) the assertion of personal jurisdiction is reasonable and fair given the admissions on
8 LF-J's own website describing its US Entry, and its US based sales teams and customers.

9 Therefore, LegalForce has plausibly plead that this Court has personal jurisdiction over
10 LF-J because its forum contacts are admitted on its own website descriptions therefore
11 establishing general and specific jurisdiction.

12 **C. LegalForce Plausibly Plead that LF-J has Intentionally and Purposefully**
13 **Directed Tortious Act expressly aimed at California and the United States, with**
14 **foreseeable harm to LegalForce, and that LegalForce's claims arise out of the LF-J's**
15 **forum-related activities, and exercising jurisdiction over LF-J is both reasonable and fair.**

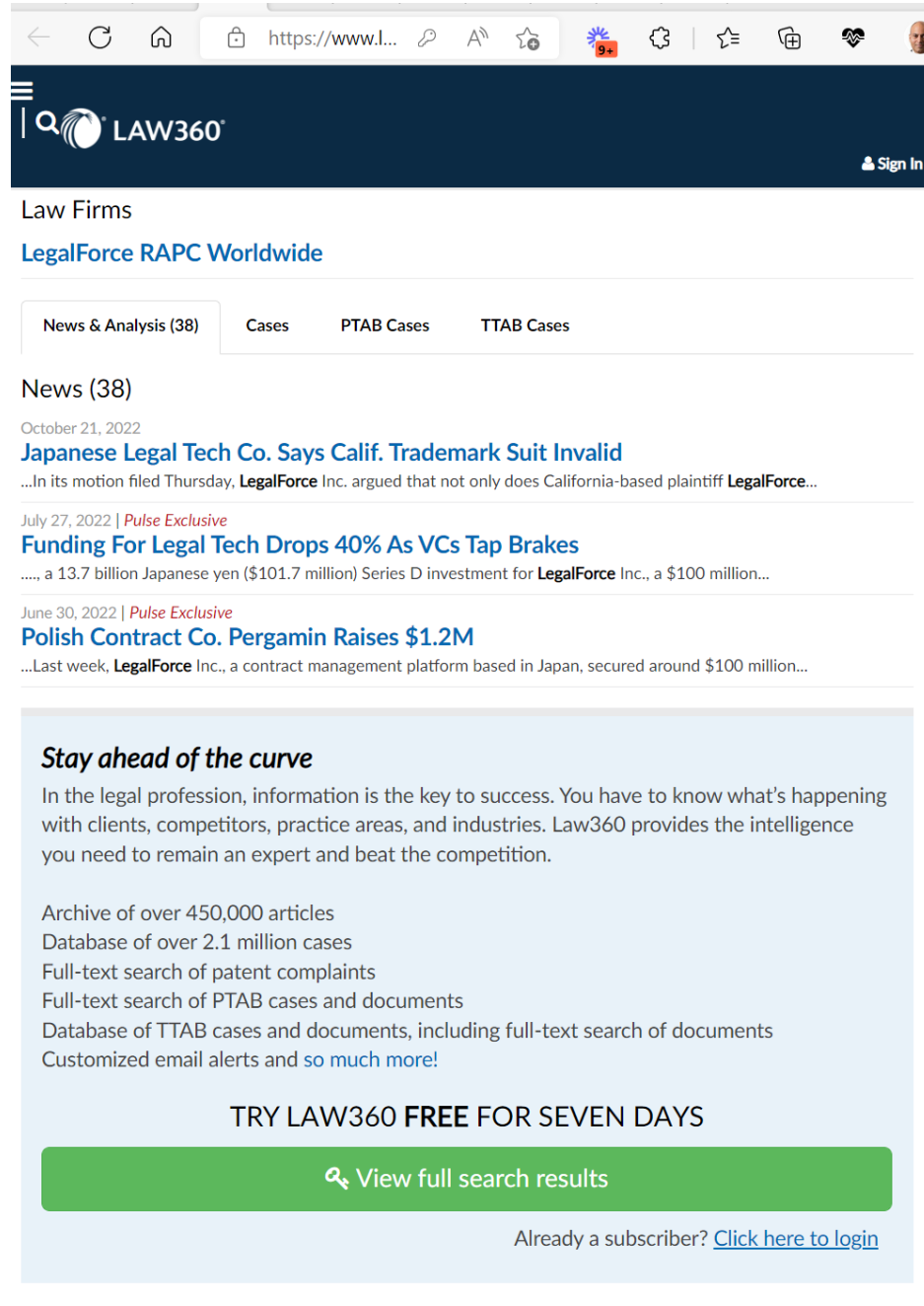
16 The FAC alleges that LF-J expressly aimed its activities at California and the United
17 States by promoting its coverage of its U.S. launch on its website, including coverage from
18 Bloomberg and Law 360 - both primarily American publications that had extensively covered
19 LegalForce in the past. ("FAC") ¶ 14.



The MTD does not challenge that Bloomberg and Law360 are publications which primarily cater to American lawyers and legal professionals and not to Japanese legal professionals. (“FAC”) ¶ 15. MTD does not challenge that both articles were published by American journalists and in English. *Id.* The MTD does not challenge that LF-J reposted these articles directly on its website creating brand confusion with LegalForce. *Id.*

1. The MTD does not challenge that the Law360 search results page for the search “LegalForce” is now depicted with a header with the LegalForce brand “LegalForce RAPC Worldwide” but with results showing LF-J. (“FAC”) ¶ 16. MTD does not challenge LegalForce’s coverage; results have been pushed off the public page (only portion visible without a paid subscription on search results) as a direct result of LF-J’s interference of LegalForce’s press coverage in trade channels including Law360 and other publications. *Id.* MTD does not challenge Law360’s header makes clear that it is primarily targeted toward American audiences and U.K. audiences, and not Japanese audiences because it only has a U.K. link apart from an American primary site. *Id.* Nor does the MTD challenge that Law360’s website has no articles written in Japanese or targeting Japanese customers. *Id.* Despite this,

the MTD does not challenge LF-J promotes this article and other English language articles directly on its homepage and press page. *Id*



For these reasons, LegalForce plausibly plead that LF-J has intentionally and purposefully directed tortious act expressly aimed at California and the United States, with foreseeable harm to LegalForce, and that LegalForce's claims arise out of the LF-J's forum-related activities, and exercising jurisdiction over LF-J is both reasonable and fair.

D. LegalForce has pled enough facts to state a claim that is plausible on its face, and alleged sufficient facts that demonstrate that LF-J used the LEGALFORCE mark in commerce in the United States.

LegalForce’s factual allegations establish “more than a sheer possibility that a LF-J has acted unlawfully” because the FAC pled enough facts to state a claim that is plausible on its face because LF-J has already admitted that it has used its mark in commerce in the United States as alleged in the FAC with respect to its job descriptions. Therefore, LegalForce has already demonstrated that LF-J used the LEGALFORCE mark in commerce in the United States.

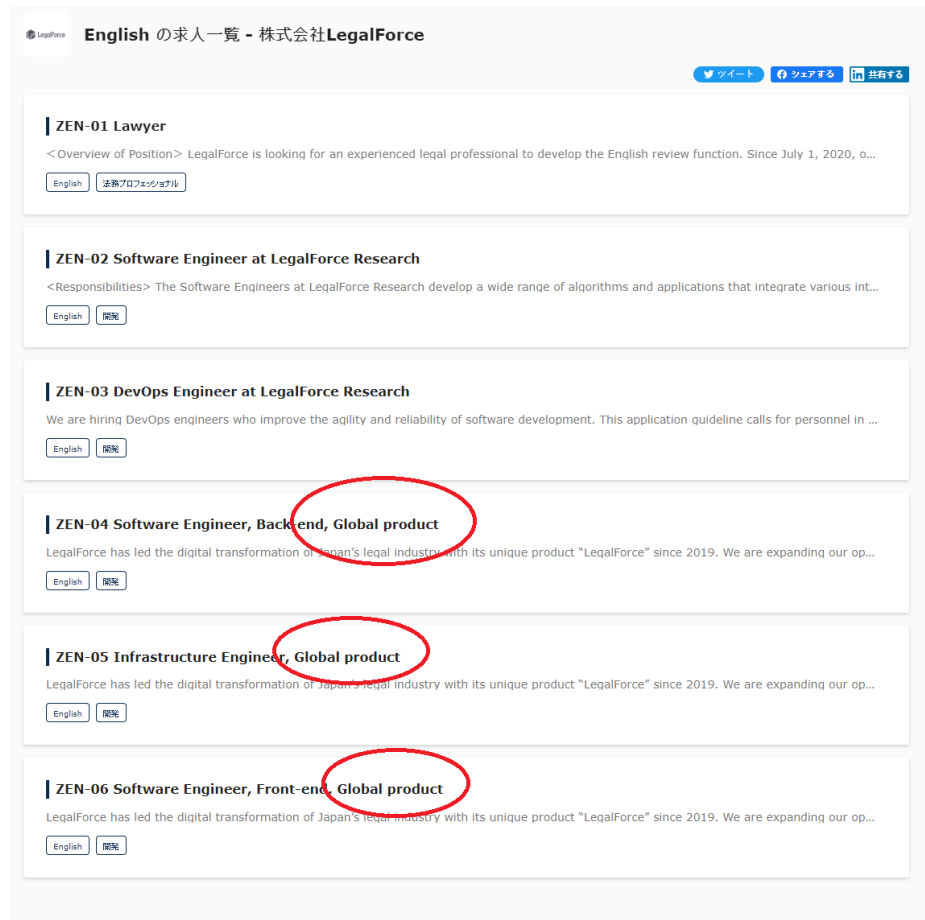
E. LegalForce has pled enough facts to demonstrate LF-J’s bad faith intent.

The MTD admits that LF-J was aware of LegalForce’s rights because the MTD describes that on November 19, 2018, LegalForce attempted, and failed, to oppose the registration in Japan when the Japanese Patent Office upheld LegalForce’s Japanese trademark registration on August 5, 2019. Therefore, LF-J knew that when it registered the English language domains in 2021 of LegalForce’s superior rights. (“FAC”) ¶ 76. The FAC alleges that LF-J actively disseminated and marketed the LEGALFORCE domains after registering them in 2021. WayBackMachine archives show that LF-J included the Infringing Website in English <https://en.legalforce-corp.com/#about> as early as July 1, 2021, and was registered on April 28, 2021. *Id.* The FAC alleges that LF-J has bad faith intent to profit from its websites. *Id.* Bad faith is evidenced by, inter alia, their registration of the domain only after the success of the Plaintiff’s LegalForce business, and recently launching an English language website. *Id.* Also the Infringing Website <https://legalforce-cloud.com/> contains English script for LEGALFORCE and appears to be registered on February 7, 2018. *Id.* For at least these reasons, LegalForce has pled enough facts to demonstrate LF-J’s bad faith intent.

F. LF-J is altering and obscuring the evidentiary record to obscure the facts, warranting discovery and further demonstrates bad faith.

After the filing of the FAC, in an apparent attempt to obscure the facts and hide from its conduct, LF-J has since surreptitiously modified various webpages to act as though it had no

intention and never actually entered the United States in commerce. For example, the recruiting webpage replaces the words “US Entry” to “Global product”, in a naked attempt to avoid the instant lawsuit and try to escape liability within days after filing of the FAC.



See: (“Abhyanker Decl.”) ¶ 12, Ex. 7, *emphasis marked in red color*.

When confronted on November 11, 2022, LF-J’s counsel was speechless, and did not timely respond to LegalForce pointing out the discrepancy. See: (“Abhyanker Decl.”) ¶ 7, Ex. 2. Therefore, LF-J’s bad faith conduct is ongoing.

IV. CONCLUSION

For all of the reasons set forth above, LF-J’s Motion To Dismiss should be denied.

1 Respectfully submitted this November 13, 2022.

2
3 LEGALFORCE RAPC WORLDWIDE P.C.

4
5 /s/ Raj V. Abhyanker
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8 Attorney for Plaintiff:
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SERVICE LIST

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